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## **China Conch Environment Protection Holdings Limited**

**中國海螺環保控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 587)**

### **PROPOSED CHANGE OF AUDITOR**

This announcement is made by China Conch Environment Protection Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

### **RETIREMENT OF KPMG**

The board of directors of the Company (the “**Board**”) hereby announces that KPMG will retire as auditor of the Company upon the expiration of its current term of office at the conclusion of the 2025 annual general meeting of the Company.

KPMG has been holding office as the auditor since 30 March 2022, being the date on which the shares of the Company were listed and approved for trading on the Stock Exchange. The Board and the audit committee of the Company (the “**Audit Committee**”) consider that the change of auditor after an appropriate period of time will enhance the independence of the external audit services for the Company, maintain good corporate governance practice and be in the best interest of the Company and its shareholders (the “**Shareholders**”) as a whole.

The Company is incorporated under the laws of the Cayman Islands and to the knowledge of the Board, there is no requirement under the laws of the Cayman Islands for the retiring auditor to confirm whether or not there is any circumstance in connection with its retirement which need to be brought to the attention of the holders of securities of the Company. Therefore, KPMG did not issue such confirmation. The Board and the Audit Committee confirm that there are no disagreements or unresolved matters between KPMG and the Company, and there are no other matters in respect of the proposed change of auditor that need to be brought to the attention of the Shareholders. The Company would like to express its sincere gratitude to KPMG for its quality services provided to the Company in previous years.

## PROPOSED APPOINTMENT OF ERNST & YOUNG

Pursuant to the recommendation of the Audit Committee, the Board proposes to appoint Ernst & Young (the “**Ernst & Young**”) as the new auditor of the Company effective immediately following the retirement of KPMG at the conclusion of 2025 annual general meeting, until the conclusion of 2026 annual general meeting, subject to the approval of the Shareholders at the 2025 annual general meeting.

The Audit Committee has considered a number of factors including but not limited to (i) the experience, technical capability and resources of Ernst & Young in handling audit work for companies listed on the Stock Exchange; (ii) its independence and objectivity; and (iii) the guidelines issued by the Accounting and Financial Reporting Council.

Based on the factors aforesaid, the Audit Committee has assessed and considered that Ernst & Young is suitable and capable of acting as the auditor of the Company. The Board and the Audit Committee are of the view that the change of auditor is in the interest of the Company and the Shareholders as a whole.

The above proposed appointment shall be subject to the consideration and approval by the Shareholders by way of an ordinary resolution at the 2025 annual general meeting of the Company. The Company will also propose to authorize the Board to fix the remuneration of Ernst & Young.

The notice of the 2025 annual general meeting of the Company and a circular containing, among other things, the details of the above proposal will be published on the websites of the Stock Exchange and the Company and will be dispatched to the Shareholders who have already provided instructions indicating their preference to receive hard copies in due course.

For and on behalf of the Board  
**China Conch Environment Protection Holdings Limited**  
**LIAO Dan**  
*Joint Company Secretary*

Anhui Province, the People’s Republic of China  
22 May 2025

*As at the date of this announcement, the Board comprises Mr. WANG Chunjian (General Manager), Ms. LIAO Dan and Mr. FAN Zhan as executive Directors; Mr. LI Qunfeng (Chairman), Mr. LYU Wenbin and Mr. MA Wei as non-executive Directors; and Mr. DING Wenjiang, Ms. WANG Jiafen and Ms. LI Chen as independent non-executive Directors.*